

*BB file*  
*1965*

29 MAR 1965

Honorable Kermit Gordon  
Director, Bureau of the Budget  
Washington, D. C.

Attention: Mr. Phillip S. Hughes

Dear Mr. Gordon:

This is in response to the request made at the meeting conducted by you on 5 March 1965. The agencies were requested to provide certain information in accordance with Sheets 1 and 2 which were made available at that meeting.

1. P. L. 88-643, 78 Stat. 1043, contains a provision falling into category 1 shown on Sheet 2. The specific provision involved is section 201 (a) as follows:

The Director may prescribe rules and regulations for the establishment and maintenance of a Central Intelligence Agency Retirement and Disability System for a limited number of employees, referred to hereafter as the system; such rules and regulations to become effective after approval by the chairman and ranking minority members of the Armed Services Committees of the House and Senate.

2. The provision requiring approval by the Chairman and ranking minority members of the Armed Services Committees of the House and Senate was a floor amendment offered by Mr. Jones of Missouri on 30 October 1963. Mr. Rivers, who was floor managing the bill, accepted the amendment and there

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was no debate. In the previous debate there had been some discussion of the point that the precise criteria for selection of those employees who would participate in the system had not been spelled out in the law for security reasons. It is to be assumed, therefore, that Mr. Jones saw his amendment as a means whereby at least in some manner Congress could be assured that the Agency was complying with the general intent of the Congress when it prescribed its regulations. The Agency urged the Senate Armed Services Committee to strike this provision based on the stated objections of the Bureau of the Budget. However, that Committee did not see fit to eliminate the provision although we informed them that we were running the risk of a veto. No substantive reasons were advanced by the Senate Armed Services Committee as to why they insisted on retaining the language.

3. Subsequent to receiving approval by the Bureau of the Budget of the proposed regulations, the Agency submitted the draft regulation to the two Committees concerned. The chairmen and ranking minority members of the two Armed Services Committees have now approved the regulations as submitted to them.

4. There is not an expiration date on the provision since by its terms approval prior to becoming effective is the only requirement.

5. We do not construe the language in the law to require that we submit subsequent changes for the approval of the chairmen and ranking minority members. It does not appear that there is any necessity for repeal of this provision since there is no further action to be taken pursuant to its terms.

If further information is desired, we shall be pleased to supply it upon request.

cc: Ex Dir/Compt  
OGC/LC Subject  
OGC/LC Chrono  
OGC/LC:JSW:mks

Sincerely,

SIGNED

John S. Warner  
Legislative Counsel

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